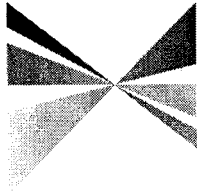


SOUTHERN CALIFORNIA



**ASSOCIATION of
GOVERNMENTS**

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Correa, County of Orange

Riverside County Transportation Commission:
Robin Lowe, Hemet

Ventura County Transportation Commission:
Keith Millhouse, Moorpark

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599-12/12/05

MEETING OF THE

EXECUTIVE COMMITTEE

**Thursday, April 6, 2006
8:00 a.m. – 9:00 a.m.**

SCAG Offices

**818 W. 7th Street, 12th Floor
Riverside B Conference Room
Los Angeles, California 90017
213. 236.1800**

Agenda Enclosed

**Agendas and Minutes for the Executive are
Committee available on the web
@ www.scag.ca.gov/committees/ec.htm**

If members of the public wish to review the attachments
or have any questions on any of the agenda items,
please contact Shelia Stewart at 213.236.1868 or
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Executive Committee Agenda

“Any item listed on the agenda (action or information) may be acted upon at the discretion of the committee”

1.0 CALL TO ORDER

Hon. Toni Young
Chair

2.0 PUBLIC COMMENT PERIOD

3.0 DISCUSSION/ACTION ITEMS

3.1 Approval Items

- 3.1.1 Approval of March 2, 2006 Minutes Attachment

3.2 Information Items

- 3.2.1 Report on Sacramento Trip

Paul Bauer
SCAG Lobbyist

- Recap of Bond Measures

- 3.2.2 Update on Goods Movement

Hasan Ikhata
Director, Planning
& Policy

- 3.2.3 RTIP Financial Requirements

4.0 PRESIDENT’S REPORT

5.0 REVIEW OF REGIONAL COUNCIL AGENDA

6.0 EXECUTIVE DIRECTOR’S REPORT

7.0 CLOSED SESSION

- Performance Evaluation of the Executive Director
Pursuant to California Government Code §54957 b(1)

- 8.0 **ADJOURNMENT** The next meeting will be held in conjunction with the General Assembly at the Westin Hotel in the city of Long Beach on Thursday, May 4, 2006.

March 2, 2006

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Executive Committee of the Southern California Association of Governments held its meeting at the SCAG offices downtown, Los Angeles. The meeting was called to order by the President Toni Young, Councilmember, City of Port Hueneme. There was a quorum.

Committee Members Present

Councilmember Toni Young	President
Supervisor Yvonne Burke	1 st Vice President
Supervisor Gary Ovitt	2 nd Vice President
Councilmember Harry Baldwin	Chair, TCC
Councilmember Dennis Washburn	Chair, EEC
Councilmember Sid Tyler	Chair, Admin

Members not in attendance

Mayor Ron Roberts	Immediate Past President
Councilmember Deborah Robertson	Chair, CEHD

Others Present

David Ryu	Deputy to Sup. Yvonne Burke
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Staff Present

Mark Pisano, Executive Director
Bert Becker, Interim Chief Financial Officer
Colin Lennard, General Counsel
Karen Tachiki, Chief Counsel
Hasan Ikhrata, Director, Planning & Policy
Keith Killough, Director, Information Services
Don Rhodes, Manager, Governmental Affairs
Sarah Adams, Govt Affairs Officer
Judy Owens, Sr. Administrative Assistant
Shelia Stewart, Executive Assistant

1.0	<u>CALL TO ORDER</u>	President Young Chair
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2.0	<u>PUBLIC COMMENT PERIOD</u>	
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There were no comments presented at this time.

3.1 Approval Items

3.1.1 Approval of February 2, 2006 Minutes

It was MOVED (Ovitt), SECONDED (Tyler) and UNANIMOUSLY APPROVED.

3.2 Information Items

3.2.1 Audit Status

Bert Becker, Interim CFO, stated that the KPMG Audit will be pulled from the agenda. Councilmember Tyler spoke with a Senior partner from KPMG. He stated that KPMG is currently reviewing prior year audits. Councilmember Tyler requested that KPMG provide a certain date for the final audit. President Young recommended that Councilmember Tyler contact Tom Snow.

3.2.2 Update on Goods Movement

Hasan Ikhata, reported that Phase II of the Governor's Bond Measure has been released and SCAG was ask to provide comments. The comments were drafted and submitted. He stated that the main issue is to make sure that decisions are made based on need and performance.

Additionally, he also gave a brief overview on the following anticipated meetings: 1) A conference call with the County Transportation Commissions on institutional arrangements; 2) March 17th meeting with the Executive Directors of the Ports, CEOs & SCAG.

3.2.3 RTP and SAFETEA-LU

Hasan Ikhata stated that SAFETEA-LU provided an opportunity for MPOs to move from a 3-year to a 4-year planning schedule. He explained that there were concerns as to whether major TIP amendments can be processed between July 2007 and July 2008. He stated that staff is pursuing options and will return next month with a recommendation to move the schedule back from June 2008 to December 2007.

3.2.4 Airport Decentralization

Mark Pisano stated that a briefing was given to the Los Angeles World Airports (LAWA) on an Aviation Decentralization Plan. He noted that a short-term strategy was presented, however an outline was also presented on what the long-term strategy would look like. He stated that the objective of the Decentralization Plan is to first transport passengers to Ontario and then secondly to Palmdale. Mr. Pisano stated that it was recommended to LAWA as part of a short-term strategy that flyaway systems be developed that would transport passengers to Ontario. He noted part of this process will include reviewing other light-rail options.

He stated that the long-term strategy is to build a high-speed system that would load passengers from LA and Orange County and transport them to Ontario and Palmdale.

Mr. Pisano stated that Senate Pro Tem Perata, as well as Senators Alarcon, Runner and Dutton have expressed an interest in the program, to include resources in the bond program to enable the movement of ground access for airport decentralization.

3.2.5 Consensus Trip to Washington, D.C. and Sacramento Day

Don Rhodes, Manager, Government Affairs, stated that meetings are scheduled for the Washington D.C trip. He announced that the Annual Statewide Reception will also be held. Members scheduled to be in Washington and interested in attending the reception was asked to contact Barbara Dove.

Mr. Rhodes also reported that Sacramento day is scheduled for Tuesday, March 7, 2006, with the day beginning at 9:00 a.m. and ending approximately 4:00 p.m. President Young, Councilmember Baldwin and Councilmember Washburn are scheduled to attend. Other Regional Council members were invited to participate, however Mr. Rhodes noted that as of the meeting date no other RSVPs have been received.

4.0 **PRESIDENT'S REPORT**

No report.

5.0 **REVIEW OF REGIONAL COUNCIL AGENDA**

There were no items discussed.

6.0 **EXECUTIVE DIRECTOR'S REPORT**

Mark Pisano asked Bert Becker, Interim CFO to give a brief overview of the audit and ongoing programs as it relates to the subregional audits. Mr. Becker reported that on February 28 Caltrans conducted training on internal controls. Discussion on indirect cost allocation plans was also included as part of the training. All subregions were represented – approximately 60 attendees. He stated that staff was directed by the Audit Committee to assemble information that would be helpful to elected officials in understanding and dealing with audit issues. Staff researched and found a booklet from the Government Finance Officers' Association entitled "A Elected Official's Guide to Internal Controls and Fraud Prevention". This booklet will be distributed to the Regional Council. Staff also prepared a checklist of internal control issues that could be utilized by elected officials and their staffs. The information was presented to the Subregional Coordinators and will also be forwarded to the Executive Director of each subregion.

Mr. Becker stated that the Audit Committee also recommended that a communications program be put into place in which staff will meet with the Boards of the subregions to educate them about the guidelines as well as expectations regarding the audit process. In addition, the Audit Committee also recommended that the Continuing Cooperative Agreements (CCAs) be amended for the upcoming year to include, possibly three provisions: 1) That the Executive Director of each subregion has read and understands all regulations that pertain to their subregion receiving grant funds; 2) A recommendation that every subregion have an oversight capability (i.e., Audit or Finance Committee); and 3) Additional specificity (i.e. timesheets). He concluded that these provisions will be part of the proposed CCAs to the subregions for next fiscal year.

Finally, Mr. Becker advised the committee that there will be an adjustment to the program of conducting Overall Work Program (OWP) audits of the subregions. For the balance of the fiscal year, the audit staff will be conducting "Preaward" audits of the Subregions Continuing Cooperative Agreements for FY 2006-2007. This is to ensure that on a go forward basis, the subregions have the proper controls and systems in place to minimize the potential for any future disallowed costs. While there are not generally "disallowed costs" associated with Preaward audits, if a subregion does not have proper controls and systems in place SCAG will notify them, and the CCA with that subregion for next fiscal year will not be executed until the corrections are made. Once all of the Preaward audits are completed, SCAG will continue the program, in conjunction with Caltrans Audits, of completing the OWP audits of each subregion.

7.0 LEGAL COUNSEL REPORT

7.1 Closed Session

- Writ of Mandate re: Board of Control Decision on, Statutes 1980 Ch. 1143 Claim No. 3929 Before the Commission on State Mandates (RHNA Determination Cost Reimbursement- Council of Governments). Code Section Conference with Legal Counsel pursuant to Government 54956.9 Pending Litigation (one potential case). **There was no closed session.**
- Havens v. SCAG
Havens v. Southern California Association of Governments, Los Angeles County, Case No. BC 324931
Conference with Legal Counsel re: pending litigation
Pursuant to Government Code section §54956.9(a)
There was no closed session.

8.0 ADJOURNMENT

The next meeting will be held in conjunction with the General Assembly at the Westin Hotel in the City of Long Beach on Thursday, May 4, 2006.

Mark Pisano, Executive Director